

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

D.T.E. NO. 01-20

REQUEST: Verizon Massachusetts Information Requests to AT&T Communications of New England, Inc. and WorldCom, Inc.

DATE: July 26, 2001

VZ-ATT/WC 1-49: Referring to page 21 of the Walsh testimony, identify in detail how the following unbundled elements are “uniquely different” in the context of actual work time posted against the IOP Optical element for CPC-Specials Task #1: (1) IOF DS1; (2) IOF DS3; (3) Entrance Facility DS-1 Channel Term; (4) Entrance Facility DS-3 Channel Term; (5) Mux DS-3 to DS-1.

Respondent: R. Walsh

RESPONSE: Verizon’s NRCM failed to analyze the actual work activities and the time needed to perform such activities. In addition, Verizon’s NRCM failed to separately analyze the expected forward-looking occurrence rate for manual activities for each of the discrete elements identified. A proper analysis should have identified the process flow for each element in order to determine what manual activities would occur, how frequently they would be expected to occur and whether they were properly classified as recurring or non-recurring costs. If the particular task constitutes database maintenance, its costs should be recovered in recurring rates. If the task is a true non-recurring activity, one which benefits only the CLEC requesting the service, then the cost of that activity should be recovered in non-recurring rates. Because Verizon did not provide the analysis or process flows described above, it is impossible to identify how the differences between these elements should have affected the work times reported in a properly designed NRCM.

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VZ-ATT/WC 1-58: Referring to pages 39 through 41 of the Walsh testimony, for each Field Installation Task indicated in the table that the testimony notes should be recovered as a recurring cost, please indicate with particularity whether the costs relating to that task is included in: (1) the recurring cost model filed by AT&T in this proceeding; and (2) the recurring cost model filed by Verizon MA in this proceeding. If the response indicates that the costs are included in a recurring cost model, please indicate, with particularity, where those costs are reflected and the precise amount of costs included.

Respondent: R. Walsh

RESPONSE: AT&T/WorldCom objects to part (2) of this request in that it seeks information about Verizon's NRCM. As this information is readily available to Verizon, it is not a proper subject for discovery from AT&T/Worldcom.

Subject to and without waiving the foregoing objection, AT&T/WorldCom states that Mr. Walsh's testimony explains that the activities expressed in Verizon's presentation of non-recurring cost (NRCM) for the Field Installation work group represent activities that are necessary to benefit Verizon's own network and should not be recovered in non-recurring rates. As such these activities should be classified as recurring cost activities.

The recurring rates produced from AT&T's HAI model derive the recurring cost of elements from plant-specific expenses associated with each plant item in the network reflected in Verizon's ARMIS accounts.

ARMIS data is not tied to the specific tasks as indicated by Mr. Walsh's table on pages 39 to 41. However, in the course of constructing and maintaining Verizon's existing network, it is expected that Verizon has captured these and similar activity costs in its plant-specific costs reported in ARMIS.